

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (hereinafter the "Agreement") is made on this _____ day of _____, 2019 and entered into by and between the **DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY**, a Florida public body corporate and politic created pursuant to Section 163.356 F.S., or its successors and assigns (hereinafter the "SELLER") and BH3 Management, LLC, a Florida limited liability company, its successors and assigns (hereinafter the "PURCHASER").

In consideration of the mutual agreements and upon and subject to the terms and conditions herein contained, the parties hereto agree as follows:

1. DEFINITIONS.

The following terms when used in this Agreement shall have the following meanings:

1.1 Application Date means that date which is 210 calendar days subsequent to the Effective Date, by which the PURCHASER must submit applications for all governmental approvals (as defined herein) to the City of Delray Beach and any other governmental entity required to approve the Project whereby the SELLER shall fully cooperate and execute any and all application and other documents in connection with preparing and submitting the Applications.

1.2 Approval Date means that date which is no later than 365 calendar days subsequent to the Application Date on which all governmental approvals including but not limited to the Site Plan approval and Conditional Use approval, necessary for the development and construction of the Project, are issued to the PURCHASER by the applicable governmental authorities and any appeal period (which shall run if no appeal is filed within thirty (30) days) after the date of issuance with respect to such issuance has expired or, if appealed, such issuance to the PURCHASER is confirmed on appeal such that the Site Plan approval, conditional use approval, and any other approval excluding building permits necessary for the development and construction of the Project are final and not appealable. Provided no Force Majeure occurrence.

1.3 City means the City of Delray Beach, a Florida municipal corporation.

1.4 Closing means the consummation of the transaction contemplated by this Agreement and the simultaneous closing by the PURCHASER of a construction loan for the full development of the Project less PURCHASER's equity.

1.5 Closing Date means that date which is thirty (30) days from and after the Permit Date as defined herein, or such earlier date, if any, as is specified by written notice furnished by the PURCHASER to SELLER provided that such notice shall be furnished, if at all, not fewer than ten (10) days prior to the earlier date selected by the PURCHASER.

1.6 Deed means the special warranty deed, which shall convey the Property from SELLER to PURCHASER in the form similar in all material respects to the Deed attached hereto to as Exhibit ____.

1.7 Earnest Money means the sum of Two Hundred Fifty Thousand and 00/100 (\$250,000.00) Dollars, which sum shall be delivered from PURCHASER to Escrow Agent pursuant to Section 2.1 of this Agreement, shall have the meaning set forth in Section 2.1 of this agreement and solely to shall ensure compliance with Section 1.17.

1.8 Effective Date means the date when the last one of the SELLER and

PURCHASER executes this Agreement and delivers an unaltered counterpart hereof to the other party.

1.9 Escrow Agent means Goren, Cherof, Doody, & Ezrol, P.A., with offices at 3099 East Commercial Boulevard, Fort Lauderdale, Florida 33308; and 76 N.E. 5th Avenue, Delray Beach, Florida 33483.

1.10 Force Majeure: Force Majeure Events include, without limitation, floods, storms, hurricanes, and other acts of God (including reasonable preparation therefore); war, terrorism, riots, civil commotion, fire, and other casualty; strikes, lockouts, labor disputes, and any inability to procure or a general shortage of labor, equipment, facilities, materials, or supplies in the open market; acts of the other party; delays in obtaining permits and approvals from regulatory authorities; and all other causes and circumstances similar to the foregoing. Force Majeure extensions must be approved by the CRA Board of Commissioners and shall not be unreasonably withheld.

1.11 Governmental Approvals means all necessary non-appealable governmental approvals to construct the Project (other than a building permit) to be obtained from any governmental entity that has jurisdiction over the development of the Project.

1.12 Inspection Period means the period of Ninety (90) calendar days which commences on the Effective Date and expires ninety (90) calendar days thereafter, unless the expiration date ends on a Saturday, Sunday or legal holiday, in which case the expiration date shall be extended until the end of the next business day.

1.13 Permit Date means that date on which the last one of any and all required permits (including but not limited to demolition permits, site development permits, utility permits, mechanical, plumbing, electrical and such necessary permits, authorizations and approvals as are necessary to commence construction of the physical buildings within the Project) issued by all applicable governmental authorities in connection with the construction of the Project is issued to the PURCHASER and any appeal period with respect to such issuance has expired or, if appealed, such issuance to the PURCHASER is confirmed on appeal such that all such required permits are final and not appealable.

1.14 Project means the comprehensive redevelopment project dated October 26, 2018 submitted by BH3 (hereinafter the "RFP Submittal") in response to the Request for Proposal (hereinafter the "RFP") issued by the SELLER and its presentation to the CRA Board of Directors on January 29, 2019. Notwithstanding the components detailed and specifically set out in the RFP Submittal, the Project shall include the following components provided, however, that any variance in said components greater than ten percent (10%) shall require the approval of SELLER, which approval shall not be unreasonably withheld:

- a) Thirty-three thousand (33,000) SF of grocery store space; one hundred sixty-five (165) residential rental units, that consist of:
 - 1. Sixteen (16) one bedroom/one bathroom apartment units;
 - 2. Twenty-four (24) two bedroom/two bathrooms apartment units;
 - 3. Eight (8) three bedrooms/two bathrooms apartment units;
 - 4. Thirty-five (35) two bedroom/two and a half bathroom flat units
 - 5. Eighty-two (82) two-story townhomes over flats or retail; and
 - 6. Twenty-eight thousand five hundred thirty-two (28,532) SF of residential amenity space including a swimming pool, club room and fitness center;
- b) Forty-three thousand three hundred (43,300) SF of ground floor retail/food and beverage;
- c) Twenty-one thousand six hundred (21,600) SF of professional office

- space, with the ability to right size space for small local businesses;
- d) Forty thousand (40,000) SF of public open space including Frog Alley, pedestrian greenways and pocket parks:
 - 1. Frog Alley consists of thirty-two thousand (32,000) SF of public open space located south of the mixed use buildings that front Atlantic Boulevard and shall be a three (3) block pedestrian walkway lined with ground floor retail, including a full-service grocery store, and residential flats.
 - 2. Pedestrian greenways provide a “green” connection to the community and are denoted on the site plan as such.
 - 3. In addition to the pedestrian greenways, the Project shall include pocket parks, gardens, and other landscaped green areas for the benefit of the community.
 - 4. In all cases, PURCHASER shall agree to maintain these open, public, green spaces and ensure that they remain available for the public to enjoy.
 - e) Parking spaces: the amount approved by the City of Delray Beach as a part site plan approval plus, at least two-hundred six (206) parking spaces including the construction of two (2) structured parking facilities and one (1) surface lot;
 - 1. PURCHASER, at its sole cost and expense shall construct or cause to construct the required amount of parking spaces plus, at least two-hundred six (206) additional which, shall be made available to the public through a public access easement and shall be maintained pursuant to a parking maintenance agreement executed by the parties thirty (30) calendar days after the Approval date.
 - f) Eighteen (18) workforce housing units located adjacent to the Project that will be restricted for eligible tenants beginning July 1, 2019;
 - g) Twelve (12) workforce housing units located within the Project that shall be delivered and/or identified at Closing date;

1.15 Property is a collective term which includes those certain parcels of real property situate, lying and being in Palm Beach County, Florida, more particularly described in **EXHIBIT A** attached hereto and made a part hereof, together with all improvements thereon, together with all of the right, title and interest of the SELLER in and to any site plans, site plan approvals, development plans, specifications, engineering drawings, impact fee credits, if any, and all other related matters and things owned by the SELLER which relate to said Property; it being the intent of the SELLER to sell, transfer, set over unto and convey to the PURCHASER all interests of the SELLER of whatsoever kind, type, nature, description or characterization in and to the Property, free and clear of all liens, claims, interests, and encumbrances or possible liens, claims, interests, or encumbrances of whatsoever kind, type, nature,

description or characterization, including, without limitation, the following, to-wit:

- a) All buildings and improvements located on the Property;
- b) All right-of-ways, alleys, privileges, easements and appurtenances, which are on or benefit all the Property;
- c) All right, title and interest, if any, of SELLER in any property lying in the bed of any public or private street or highway, opened or proposed, in front any of the adjoining property to the center line thereof;
- d) To the extent transferable, all licenses, permits, approvals, and other governmental authorizations relating to the operation use or occupancy of the Property (including those all licenses, permits, approvals, and other governmental authorizations obtained by PURCHASER hereunder) and in effect as of the Closing Date and all contracts and leases, if applicable, with respect to the Property;
- e) The conveyance also includes any right to any unpaid award relative to the Property to which the SELLER may be entitled: (1) due to taking by condemnation of any right, title or interest of the SELLER and, (2) for any damage to the Property due to change of grade of any street or highway. SELLER shall deliver to PURCHASER at closing, or thereafter on demand, proper instruments for the conveyance of title and the assignment and collection of award and damages;
- f) All development rights, if any, including but not limited to entitlements, water and sewer connection rights, air rights, mineral rights, any impact fee credits previously paid.

1.16 Relocation Plan. Thirty (30) days before the Application Date the PURCHASER shall prepare and submit to the SELLER for the CRA Board Approval a Relocation Plan for the tenants presently in possession of the leaseholds located within the Property. The Relocation Plan shall include tenant space in the new development for four (4) tenants as more fully defined in the RFP. PURCHASER shall update the Relocation Plan as necessary with SELLER's consent, which shall not be unreasonably withheld. The Relocation Plan shall mean a written plan submitted by PURCHASER securing similarly sized space and lease terms those that tenants currently have.

1.17 Public Benefits Commitment. As an inducement to the SELLER to enter into this Agreement for the benefit of the Project, and in the interest of furthering the goals of the SELLER and PURCHASER (for itself and its successors and assigns, if any), PURCHASER hereby makes the following commitments for the public benefit during the Term of this Agreement and shall execute a Public Benefits Agreement that shall survive Closing, within two-hundred ten days (210) of the Effective Date:

- a) Local Inclusion and Participation Requirement: PURCHASER agrees to utilize a minimum of six (6) local subcontractors/vendors who have their primary residence or registered physical business within Priority Census Tracts: 66.04 – BG-1 only, 66.05, 67, 68.01, 68.02, 69.08 – BG-1 and/or within the US Postal Zip Codes of 33444, 33445, and 33483 within the incorporated city limits of the City of Delray Beach. PURCHASER shall seek to fulfill this requirement within the census tracts, before using the zipcodes referenced above.
- b) Local Inclusion and Participation Requirement: PURCHASER agrees to cause its contractor to identify, qualify, and hire the thirty (30) employees skilled and unskilled construction jobs with living wages for at least 30 (thirty) local persons whose

primary residence is in the following Priority Census Tracts: 66.04 – BG-1 only, 66.05, 67, 68.01, 68.02, 69.08 – BG-1 only.

- c) Living Wage Rates for Skilled and Unskilled Construction Laborers: PURCHASER shall require its Contractors performing work in connection with the Project to pay a minimum hourly wage rate and health benefits (the “Living Wage”), consistent with the following:

1. Unskilled construction jobs: \$13.64, and
2. Skilled construction jobs: \$18.70.

These living wage rates shall be increased on an annual basis to remain consistent with the Consumer Price Index, for Delray Beach, or if not available, Palm Beach County.

- d) Job Fairs & Employment Advertising: PURCHASER shall host a minimum of two (2) job fairs for the construction of the project. PURCHASER shall also coordinate with local organizations to promote its job fairs and other employment opportunities.
- e) Workforce Housing: PURCHASER agrees to provide eighteen (18) workforce housing units to the City via a restrictive covenant for a period of up to forty (40) years commencing on July 1, 2019. The units are located at 11 SW 6th Avenue and 21 SW 6th Avenue, Delray Beach, Florida. PURCHASER agrees to provide twelve (12) workforce housing units on-site in the Project once completed, also for up to a period of forty (40) years.

Should PURCHASER desire to redevelop or sell the properties of 11 SW 6th Avenue and 21 SW 6th Avenue or relocate the units, PURCHASER shall provide the CRA written notice of its desire at least ninety (90) days prior to taking action and shall: (1) identify potential locations of the new workforce housing within sub areas 3, 4 and 8 of the CRA district, (2) propose the same amount or more workforce housing units for the remainder of the forty (40) year term and (3) provide a specific relocation plan for existing tenants. The CRA Board shall have the authority to approve, which shall not be not unreasonably withheld, the relocation contemplated above prior to any redevelopment activity, which approval shall not be unreasonably withheld. If approved, SELLER shall terminate the restrictive covenant for 11 SW 6th Avenue and 21 SW 6th Avenue and cause said restriction to be removed from the public records. Further, upon contract termination for any reason, Seller’s repurchase or if PURCHASER seeks to relocate workforce-housing tenants during the forty (40) year term, SELLER or its successor in interest shall terminate the restrictive covenant for those properties and commence a new workforce housing restrictive covenant at a suitable location, with the SELLER’s consent for any remaining term. Any restrictive covenant for workforce housing proffered by PURCHASER shall be subordinate to any of its current and future mortgages. SELLER shall agree to execute a subordination upon PURCHASER’s lender’s request. This provision shall survive closing, which survival time period shall have no limit (notwithstanding any limitations on survival set forth under this agreement). The restriction recorded in the public records shall expressly provide for Purchasers’ rights to relocate the workforce housing as set forth under the section.

Notwithstanding the terms of this section 1.17(e), in the event this agreement is

terminated, Seller repurchases or the Project is not completed for reasons associated with Purchaser's failure to perform, Purchaser shall have no obligation to provide for the eighteen (18) workforce housing units, and should any restrictions have been recorded over the properties, the Seller shall promptly terminate said restrictions, it being agreed that this obligation by Purchaser is conditional upon Purchaser closing and completing the Project as contemplated herein.

Should PURCHASER fail to provide the restrictive covenant regarding the eighteen units of workforce housing by July 1, 2019, PURCHASER shall be penalized \$500.00 a day until compliance and the filing of a restrictive covenant for the eighteen units. PURCHASER shall execute a workforce housing agreement with SELLER to address the twelve (12) on site workforce housing units and penalties for noncompliance at Closing.

1.18 **Penalties for Non-Compliance with Public Benefits Commitment:** To ensure compliance with PURCHASER's public benefits commitments more fully described in Section 1.17, the SELLER and PURCHASER agree that the Earnest Deposit, the amount of \$250,000.00, shall be delivered by PURCHASER to Escrow Agent within three (3) business days from the effective date and shall be held by the Escrow Agent to repay PURCHASER the earnest money based on documented completion of the public commitments expressed in Sections 1.17(a)-(d) and further expressed in a separate Public Benefits Agreement to be executed within 210 days of the Effective Date. Subject to the terms of this agreement, should PURCHASER fail to meet the public benefits commitments found in Section 1.17(a)-(d), PURCHASER shall forfeit its earnest money as expressed in a separate Public Benefits Agreement and be debarred from the CRA for a period of five (5) years.

1.19 **Job Monitoring for Public Benefits Commitment:** Prior to the issuance of any construction permits for the Project, a firm shall be selected and retained by the SELLER to review the Participation Reports submitted by the PURCHASER and audit the same, as well as audit PURCHASER'S compliance with the above-listed community benefits. PURCHASER shall be provided the terms of employment for the firm selected by the SELLER for PURCHASER'S review and approval, which approval shall be deemed granted if a written objection to such proposed terms is not submitted to the Executive Director of the CRA within fifteen (15) days of transmittal of the proposed terms to PURCHASER. PURCHASER shall reimburse the SELLER within thirty (30) days of receipt of an invoice submitted by SELLER for the fees and costs incurred by SELLER with respect to the retention of the firm for the monitoring of the aforementioned community benefits, which reimbursement by PURCHASER shall not exceed \$50,000.00 annually. The job monitoring and associated reimbursable costs shall commence at Approval date and conclude upon receipt of the last Certificate of Occupancy for the Project. This provision shall survive Closing.

1.20 **Site Plan** means an illustrative site plan which includes, as a minimum, the location of the proposed mixed use buildings, parking lots, parking garages, office space, grocery store, retail space, green space and 165_multi-family, rental units, which constitute the Project and the public streets surrounding the Property and which illustrates the proposed off street parking, sidewalks and major landscape features as such plans may be modified from time to time and approved by SELLER.

1.21 **Termination Date** means that, provided SELLER has fully complied with its contractual obligations herein and no delays due to Force Majeure (as defined herein) has occurred the

Termination Date shall be the date which is seven hundred twenty calendar days (720) subsequent to the Effective Date. In the event the Closing as contemplated by the terms of this Agreement has not occurred, SELLER shall have the right to terminate this Agreement and return the Earnest Money earned to PURCHASER.

1.22 Other Definitions. The terms defined in this Agreement shall have the defined meaning wherever capitalized herein. Wherever appropriate in this Agreement, the singular shall be deemed to refer to the plural and the plural to the singular, and pronouns of each gender shall be deemed to comprehend either or both of the other genders. As used in this Agreement, the terms "herein", "hereof" and the like refer to this Agreement in its entirety and not to any specific section or subsection.

2. PURCHASE PRICE.

Subject to the provisions of this Agreement, SELLER hereby agrees to sell the Property to PURCHASER, and PURCHASER hereby agrees to purchase the Property from SELLER for the total purchase price of Ten and 00/100 (\$10.00) Dollars, upon and subject to the terms and conditions set forth herein ("Purchase Price").

2.1 Earnest Money. PURCHASER agrees to tender **two hundred fifty- thousand and 00/00 (\$ 250,000.00) Dollars** as Earnest Money and shall deposit the Earnest Money with GOREN, CHEROF, DOODY AND EZROL, P.A. (hereinafter the "Escrow Agent"), which Earnest Money shall be placed in an interest bearing escrow account by the Escrow Agent due at the execution of this agreement. In the event of the termination of this agreement for any reason and/or the SELLER asserts its right to repurchase, PURCHASER shall be refunded its Earnest Money.

3. INSPECTIONS.

PURCHASER shall, during the ninety (90) calendar day Inspection Period PURCHASER shall determine (a) whether or not the Property is satisfactory for PURCHASER's purposes in PURCHASER's sole and absolute discretion, and (b) whether or not the Property has adequate services available and that all federal, state, county and local laws, rules and regulations have been and are currently being complied with relative to the Property.

During the Inspection Period it shall be the responsibility of the PURCHASER to determine that utility services including, water, waste water, electric, telephone and all other utilities are available in the proper size and capacity to serve the Property and installed to the Property lines. Furthermore, it shall be the responsibility of the PURCHASER to determine whether or not the existing zoning classification of the Property will permit PURCHASER to construct, develop and utilize the Property as the Project, as identified in the Response to the RFP issued by the SELLER. At all times during the Inspection Period, PURCHASER and its agents shall be provided with reasonable access during normal business hours to the Property for purposes of on-site inspections. The scope of the inspections shall be determined by the PURCHASER as deemed appropriate under the circumstances. In the event that any inspections and any review of documents conducted by the PURCHASER relative to the Property during the Inspection Period prove unsatisfactory to the PURCHASER, at its sole and absolute discretion, PURCHASER shall be entitled to terminate this Agreement by providing written notice by mail, overnight delivery service, or by facsimile to SELLER and/or SELLER'S counsel, at any time prior to 5:00 p.m. Florida time on that date which is the second business day next following the expiration of the Inspection Period and receive an immediate refund of the Earnest Money plus interest earned thereon. In the event that PURCHASER fails to provide a timely notice of termination, this Agreement shall not terminate, and the PURCHASER and SELLER shall proceed to Closing as set forth herein. PURCHASER does hereby agree to hold SELLER harmless during inspections conducted on the

Property. PURCHASER, at its own expense, may conduct and obtain an Environmental Site Assessment Phase I and Phase II (if so mandated by the Phase I) of the Property during the Inspection Period.

During the Inspection Period, SELLER shall provide to PURCHASER reasonable access to any appraisals, environmental reports (Phase I and Phase II, if any), surveys, abstracts and title policies and all other studies, reports, plans or other documents relating to the Property that SELLER may have in its possession or is subject to its control relating to the Property and SELLER shall, without additional consideration, consent to an assignment of such items to PURCHASER or PURCHASER's lending institution and shall provide true and correct copies of all leases in effect with respect to the Property.

PURCHASER's right to inspect and enter onto the Property during the Inspection Period is expressly conditioned upon PURCHASER's covenant to protect SELLER from the filing of any liens against the Property resulting from PURCHASER's inspections. In the event that any claims of lien are filed against the Property as a result of work performed or requested by PURCHASER, the PURCHASER shall either pay the sum claimed by the lienor or bond such claim of lien in the manner permitted by law within five (5) business days after PURCHASER receives written notice of the existence of the lien.

Except as otherwise provided herein, all inspections shall be conducted and completed during the Inspection Period. In the event PURCHASER elects not to terminate this Agreement as provided herein, PURCHASER may continue to have access to the Property after the expiration of the Inspection Period upon reasonable notice to SELLER.

4. SELLER'S REPRESENTATIONS. To induce PURCHASER to enter into this Agreement, SELLER makes the following representations, all of which to the best of its knowledge, in all material respects and except as otherwise provided in this Agreement (i) are now true, and (ii) shall be true on the Closing Date:

4.1 At all times prior to Closing, SELLER shall keep the Property free and clear of any construction, mechanic's or material liens for work or materials furnished to or contracted for, by or on behalf of SELLER prior to the Closing.

4.2 SELLER has no actual knowledge of pending or contemplated condemnation proceedings affecting the Property or any part thereof.

4.3 SELLER has no actual knowledge nor has SELLER received any notice of any litigation, claim, action or proceeding, actual or threatened, against SELLER or the Property by any organization, person, individual or governmental agency or other entity which would affect the use, occupancy or value of the Property or any part thereof or which would otherwise relate to the Property, other than a quiet title action to be initiated by the City.

4.4 No individual, general or limited partnership, limited liability partnership or company, corporation, trust, estate, real estate investment trust, association or any other entity has or is entitled to possession of any part of the Property.

4.5 No transfer of development rights (TDR), within the meaning of Section 4.6.20 of the Land Development Regulations as set forth in the Delray Beach Code of Ordinances, with respect to the Property have been assigned, transferred, leased or encumbered in any manner whatsoever.

4.5.1 Contracts. SELLER is not a party to any unrecorded contracts, restrictions, easements, leases, option contracts, rights of first refusal or contracts with respect to the Property, nor shall SELLER enter into any of the foregoing from and after the date of execution of this Agreement without the written consent of PURCHASER.

4.5.2 Violations. To the best of SELLER's knowledge, SELLER has not received any written notice claiming that the Property or any method of operation of the Property is in violation ("Violation") of any applicable law, ordinance, code, rule, order, regulation or requirement of any governmental authority, the requirements of any local board of fire underwriters (or other body exercising similar functions) and SELLER further represents that the Property shall be delivered free of any Violation at Closing.

4.5.3 Non Compliance. In the event that SELLER is not able to comply with one or more representations made to PURCHASER at Closing, PURCHASER, at its option, may waive one or more of SELLER's representations and nevertheless chose to close without adjustment.

4.5.4 SELLER shall not encumber the Property, file any application to change the current zoning or land use of the Property unless requested by PURCHASER, or enter into any contracts or leases relating to the Property unless subject to termination provisions. SELLER agrees to comply with PURCHASER's requests for cooperation in PURCHASER facilitating its contractual obligations hereunder without delay.

4.5.5 SELLER shall deliver marketable and insurable title to PURCHASER, at closing.

4.5.6 SELLER is not aware of any Hazardous Materials (as defined herein) at the property..

SELLER shall comply with all of the obligations of SELLER under all leases relating to the Property, the service agreements and all other agreements and contractual arrangements by which SELLER and/or the Property are bound. SELLER shall maintain all existing insurance coverage in full force and effect through Closing and shall pay all required premiums and other charges. SELLER agrees not to enter into any new leases or extend current leases based on month-to-month tenancies.

4.6 REAL PROPERTY SOLD AS IS, WHERE IS, RELEASE: Except as otherwise provided herein and by virtue of the special warranty deed, SELLER makes and shall make no warranty regarding the title to the Property except that SELLER shall deliver to PURCHASER insurable and marketable title in addition to as to any warranties which will be contained in the Deed and in the other instruments to be delivered by SELLER at Closing in accordance with this Agreement, and SELLER makes and shall make no representation or warranty either expressed or implied (except as specifically set forth in the Agreement) regarding condition, operability, safety, fitness for intended purpose, use, governmental requirements, development potential, utility availability, legal access, economic feasibility or any other matters whatsoever with respect to the Property. PURCHASER specifically acknowledges and agrees that SELLER shall sell and PURCHASER shall purchase the Property on an "AS IS, WHERE IS, AND WITH ALL FAULTS" basis and that, except for the SELLER'S representations and warranties set forth in this Agreement which representations shall survive closing. Except for the representations set forth and referenced by this agreement, PURCHASER is not relying on any representations or warranties of any kind whatsoever, express or implied, from SELLER, its agents, officers, or employees, as to any matter concerning the Property including, without limitation, any matter relating to (i) the quality, nature, adequacy, or physical condition of the Property; (ii) the quality, nature, adequacy or physical condition of soils, fill, geology, or any groundwater; (iii) the existence, quality, nature, adequacy or physical condition of utilities serving the Property; (iv) the development potential, income potential, expenses of the Property; (v) the Property's value, use, habitability, or merchantability; (vi) the fitness, suitability, or adequacy of the Property for any particular use or purpose; (vii) the zoning or other legal status of the Property; (viii) the compliance of the Property or its operation with any applicable codes, laws, rules, regulations, statutes, ordinances, covenants, judgments, orders, directives, decisions, guidelines, conditions, or restrictions of any governmental or quasi-governmental entity or of any other person or entity, including without limitation, environmental person

or entity, environmental laws; (ix) the presence of Hazardous Materials, as defined herein, or any other hazardous or toxic matter on, under or about the Property or adjoining or neighboring property; (x) the freedom of the Property from latent or apparent defects; (xi) peaceable possession of the Property; (xii) environmental matters of any kind or nature whatsoever relating to the Property; (xiii) any development order or agreement, or (xiv) any other matter or matters of any nature or kind whatsoever relating to the Property

As used herein, the term "Hazardous Materials" means (i) those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances" or "solid waste" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §960 et seq., the Resource Conservation and Recovery Act of 1976, 42 U.S.C. § 6901 et seq., the Hazardous Materials Transportation Act, 49 U.S. C. §1801 et seq., or the Clean Water Act, 33 U.S.C. §1321 et seq., as amended, and in the regulations promulgated pursuant thereto; (ii) those substances listed in the United States Department of Transportation Table (49 CFR §172.101) or by the Environmental Protection Agency as "hazardous substances," "hazardous materials," "toxic substances" or "solid waste", (iii) such other substances, materials and wastes which are regulated, or classified as hazardous or toxic, under applicable local, state or federal laws, ordinances or regulations; and any material, waste or substance which is petroleum, asbestos, polychlorinated, biphenyls, flammable explosives or radioactive materials.

Notwithstanding the foregoing, from and after the Effective Date, SELLER shall maintain the Property and shall cause the Property to be maintained in a manner generally consistent with past practices and in a manner fully compliant with applicable law and the SELLER shall reasonably endeavor to prevent the introduction of any Hazardous Materials onto the Property and the SELLER shall reasonably endeavor to prevent the release of any Hazardous Materials onto the Property, and the PURCHASER shall have and is hereby granted the right to enter upon the Property to confirm the compliance of the SELLER with the foregoing duties and obligations. Any notices received by SELLER concerning an environmental condition, condemnation, code violation or other matter concerning the Property shall promptly be sent to PURCHASER.

4.7 SELLER has full power and authority to enter into this Agreement and to assume and perform its obligations hereunder and will provide PURCHASER's title company with any reasonably requested documentation evidencing its authority.

4.8 All of the representations, warranties, and covenants of SELLER contained in this Agreement or in any other document delivered to PURCHASER in connection with the transaction contemplated herein shall be true and correct in all material respects and not in default at the time of Closing, just as though they were made on the Closing Date.

5. EVIDENCE OF TITLE.

5.1 Title to the Property. SELLER shall convey the Property, including all easements and restrictions of record with the exception of the encroachment(s), if any, to PURCHASER at Closing by delivery of the Deed. PURCHASER shall, during the Inspection Period, secure a title insurance commitment issued by a title insurance underwriter insuring PURCHASER's title to the Property. The costs and expenses relative to the issuance of a title commitment and an owner's title policy shall be borne by the PURCHASER.

PURCHASER shall have ten (10) days from the date of receiving the title commitment to examine said commitment. If PURCHASER objects to any exception to title as shown in the title commitment, PURCHASER shall, within thirty (30) calendar days of receipt of said commitment ,

notify SELLER in writing specifying the specific exception(s) to which it objects. Any objection(s), of which PURCHASER has so notified SELLER, shall be cured by SELLER so as to enable the removal of said objection(s) from the title commitment within two hundred seventy (270) days after PURCHASER has provided notice to SELLER. Within twenty (20) days after the expiration of SELLER'S time to cure any objection, SELLER shall send to PURCHASER a notice in writing (the "Cure Notice") stating either (i) that the objection has been cured and, in such case, enclosing evidence of such cure, or (ii) that SELLER is unable to cure such objection despite the good faith efforts of the SELLER to effectuate the cure. If SELLER is unable to cure all objections within the time period set forth in the preceding sentence despite the good faith efforts of the SELLER, then PURCHASER may (a) terminate this Agreement by written notice to the SELLER within thirty (30) days after receipt of a Cure Notice specifying an uncured objection, in which event all instruments and monies held by the Escrow Agent, together with interest thereon, shall be immediately returned to PURCHASER; or (b) subject to the provisions set forth below, proceed to close the transaction contemplated herein despite the uncured objection. The Property does not contain the alleys located within the Property. Notwithstanding anything contained herein, any new updates received by PURCHASER's title searches, which may constitute encumbrances on the property, PURCHASER shall promptly notify SELLER in writing which shall constitute a timely title objection.

5.2 Survey and Legal Description. During the Inspection Period, PURCHASER shall order: (i) a current survey ("current" is defined to be certified within ninety (90) days of the Effective Date), prepared by a registered land surveyor or engineer licensed in the State of Florida showing the boundaries of the Property, and the location of any easements and other matters as reflected on Schedule B II of the title commitment thereon and certifying the number of acres (to the nearest one thousandth acre) of land contained in the Property, all buildings, improvements and encroachments; and (ii) a correct legal description of the Property which, upon approval thereof by PURCHASER and SELLER (not to be unreasonably withheld, conditioned or delayed), shall be the legal description used in the Deed. The survey shall be certified to SELLER, PURCHASER and the title insurance company issuing the title insurance and PURCHASER's lender.

In the event the survey shows any material encroachments, strips, gores, or any portion of the land non-contiguous to any other portion of the Property or any other matter materially affecting the intended use of the Property or marketability of title to the Property (any such matter is herein called a "Survey Objection" and treated as a title defect), PURCHASER shall have a period of 30 days after receipt of the survey by PURCHASER within which to approve or disapprove any survey objection and to give notice to SELLER of any disapproval thereof indicating in reasonable detail the nature and reasons for PURCHASER's objection. In the event PURCHASER provides a notice of disapproval of a survey objection to SELLER, the rights and obligations of the parties respecting such objections shall be governed by Section 5.1 hereof such that the parties shall have the same rights and objections as though such survey objection objected to was a new exception to title which was discovered and objected to within the contemplation of Section 5.1. The area described as alleyways shall not be subject to a title objection survey objection.

6. RISK OF LOSS.

6.1 Risk of loss or damage from fire, other casualty, or both, is assumed by SELLER until the Deed is delivered by SELLER to PURCHASER. In the event any portion of the Property is destroyed by fire or other casualty then the PURCHASER shall proceed to close the transaction contemplated herein. In the event the damage results in increased costs to PURCHASER relating to demolition costs, Hazardous Material abatement costs, or both, as determined during the Inspection Period, the insurance proceeds equal to the amount of said increase in costs shall be paid to the PURCHASER.

7. TRANSFER OF TITLE SUBJECT TO.

Except as otherwise set forth, the Property shall be conveyed subject only to water lines, sanitary sewer, drainage, gas distribution, electrical and telephone easements of record. It shall be the sole and exclusive responsibility of the PURCHASER to relocate any utilities and any such relocation costs and expenses shall be borne by the PURCHASER. PURCHASER shall, in the event of any relocation of the utilities, provide to the City or the appropriate service provider, easements for the relocated utilities. Adjustments shall be based upon the maximum discount available.

8. CLOSING DATE AND PLACE.

The Closing shall occur no later than that date which is thirty (30) calendar days from and after the Permit Date, Closing shall be held in the offices of the SELLER'S attorney.

9. TERMINATION.

Provided SELLER is not in default, subject to Section 1.21 herein, in the event the closing does not occur solely because of PURCHASER's failure to close after the Permit Date but in any event no later than the Termination Date as defined herein, the SELLER shall have the right to terminate this Agreement, and return the Earnest Money plus interest earned to the PURCHASER, and each party shall be released from any and all liability to one another.

10. DEFAULT BY PURCHASER. The PURCHASER shall be deemed to be in default hereunder only upon the occurrence of any of the following events (and only after written notice has been provided to PURCHASER whereby PURCHASER has a 30-day period to cure, said cure period had expired, accounting for any Force Majeure extensions), , to-wit:

- (a) In the event that PURCHASER fails to file an application for government approvals with the necessary documentation required by the governmental entities and an application for conditional use approval necessary for the development, and construction of the Project; with the City or any other governmental entity on or before the Application Date,
- (b) In the event the PURCHASER fails to obtain all necessary approvals on or before the Approval Date (because of PURCHASER's actions or inactions .
- (c) In the event that the PURCHASER fails to close the transaction on or before the Closing Date and such failure to close is not otherwise attributable to a default by SELLER;
- (d) Failure to provide a financial commitment letter as required by Section 18.1 herein.
- (e) Failure to provide the Letter of Credit or Performance Bond as required by 18.2 herein.

Provided SELLER is not in default herein, if PURCHASER defaults in the performance of any of the obligations to which reference is made in the immediately preceding subsections (a) through (c), both inclusive, and PURCHASER fails to remedy such default within thirty (30) days after written notice by SELLER to PURCHASER of such default(s) unless the Default is not reasonably curable within 30 days, and SELLER and PURCHASER fail to agree on a reasonable time to cure (the "Default Notice"), SELLER may terminate this agreement subject to Section 1.21 herein. Upon termination by the SELLER, the termination, this Agreement shall become null and void, and neither party shall have any claims of whatsoever kind, type, nature or description against the other party.

11. DEFAULT BY SELLER.

If Seller defaults herein, then PURCHASER shall have—for such default, be limited to the recovery of PURCHASER's actual and direct damages, incurred (but not consequential indirect, special, incidental or speculative damages including, without limitation, lost profits and lost opportunities) and upon the receipt thereof, and upon PURCHASER's receipt of the Earnest Money, this Agreement shall become null and void, and neither party shall have any claims of whatsoever kind, type, nature or description against the other party. If SELLER is not be able to convey clean title, PURCHASER may (a) proceed with the transaction or (b) terminate the transaction and be entitled to the recovery set forth above as if SELLER had defaulted..

12. BROKER.

a) SELLER represents that it has not listed the Property for sale or otherwise entered into any agreement for the payment of a real estate brokerage commission regarding the sale of the Property with any broker or any other person entitled to be paid a brokerage commission in accordance with Florida law.

b) PURCHASER represents that it has not employed, or otherwise used, any broker or any other person entitled to be paid a brokerage commission in accordance with Florida law in conjunction with PURCHASER's interest in purchasing the Property.

13. CLOSING COSTS.

Upon Closing, PURCHASER shall be responsible for the costs and expenses related to the recording of the Deed. SELLER shall pay for documentary stamps affixed to the Deed. All costs and expenses related to the development of the Property shall be borne by PURCHASER.

14. PURCHASER'S WARRANTIES.

PURCHASER hereby acknowledges and warrants to the best of its knowledge that all of the following are true and correct as of Closing:

(a) PURCHASER has full power and authority to enter into this Agreement and to assume and perform all of its obligations hereunder.

(b) The execution and delivery of this Agreement and the performance by PURCHASER of the obligations hereunder have been duly authorized by the PURCHASER as may be required, and no further action or approval is required in order to constitute this Agreement as a binding obligation of the PURCHASER.

(c) The execution and delivery of this Agreement and the consummation of the transaction contemplated hereunder on the part of the PURCHASER do not and will not violate the organizational documents of PURCHASER and do not and will not conflict with or result in the breach of any condition or provision, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any of the terms of any contract, mortgage, lien, lease, agreement, indenture, instrument or judgment to which PURCHASER is a party.

All of the representations, warranties and covenants of PURCHASER contained in this Agreement shall be true and correct in all material respects and not in default at the time of Closing, just as though they were made on the Closing Date.

PURCHASER shall indemnify, hold harmless and defend SELLER against all claims, demands, losses, liabilities, costs and expenses, including attorney's fees, imposed upon or accruing against SELLER as a result of the representations contained in this Section 14 not being true and correct in all material respects.

15. RIGHT TO REPURCHASE.

SELLER expressly reserves the right at its sole option and election, to repurchase the Property for the Purchase Price of One Hundred and 00/100 Dollars (\$100.00) to be paid by SELLER to PURCHASER hereunder, only in the event the PURCHASER shall

- a) fail to Commence Construction of the Project, within sixty (60) days following the later to occur of the Closing, or the Permit Date, subject however, to extensions for delays attributable to Force Majeure which extensions must be approved by the CRA Board of Commissioners, or
- b) fail to commence the installation of the concrete foundation for at least one of the structures to be constructed within the Project within one hundred eighty (180) days next following the later to occur of (i) the commencement of construction to which reference is made in subsection (a) above, and (ii) the issuance of the building permit(s) requisite to performing foundation work. Upon satisfaction of sections 15(a) and 15(b) the termination of the right to repurchase shall be promptly recorded.

The term "Commence Construction" means the initiation by PURCHASER of site preparation work for the Project, which shall, for purposes of this Section 16, include excavation, fencing of the site, installation of the construction trailer, clearing and any required relocation of utilities at the site provided the Closing has occurred.

The SELLER's right to repurchase and its terms and conditions herein shall be incorporated in a Memorandum of Agreement and the Deed executed by the parties prior to Closing and shall survive the Closing until the repurchase right is terminated. At Closing, SELLER shall execute the termination and hold same in escrow to be released upon PURCHASER's satisfaction of this Section. Seller shall record the termination of the right to repurchase within three (3) business days of satisfying the conditions set forth above in 15 (a) and 15 (b). SELLER shall also execute a subordination of its right to repurchase if requested by PURCHASER's lender.

Notwithstanding the foregoing provisions, the commencement dates provided above and all other times for the commencement or completion of all performances required in this Agreement by the PURCHASER shall be extended on a day for day basis for Force Majeure events, as agreed upon by PURCHASER and SELLER. By the tenth (10) business day of each of month, PURCHASER shall deliver or cause to be delivered to SELLER a list of the days during each proceeding month as to which PURCHASER believes the Force Majeure provisions that apply and the reasons therefor. SELLER shall, within ten (10) business days after receipt of any such list, provide notice to PURCHASER as to whether SELLER disputes that any of the days set forth on that list would give rise to an extension of time for PURCHASER's performance based on Force Majeure. Any days claimed to be subject to the foregoing Force Majeure provision by PURCHASER which are not so disputed by SELLER within said time period shall be deemed approved by SELLER.

In the event of a dispute between SELLER and PURCHASER as to whether there has been a commencement of construction as provided in this Section or whether a claim for delay is valid or otherwise in connection with this Agreement and the transactions contemplated thereby shall be resolved and settled by mediation using a mutually acceptable third-party mediator. Such mediator shall be appointed upon the written demand of either party. Upon such appointment, the mediation shall be held within fifteen (15) days at a mutually agreeable site in Palm Beach County, Florida. The fees and expenses of such mediator shall be born equally by the parties hereto. In the event of the failure of the parties to settle the dispute by mediation, either party may bring the dispute for legal redress before the Circuit Court in and for Palm Beach County, Florida.

Notwithstanding anything in this agreement, should SELLER enact its right to repurchase, SELLER shall immediately return PURCHASER's Earnest Money, subject to the Public Benefits agreement.

This Section 15 shall survive Closing. Notwithstanding the foregoing, any repurchase rights granted herein shall be subject to and subordinate to any acquisition, development and/or construction loan and mortgage on the Property.

16.. ENFORCEABILITY.

If any term, covenant or condition of this Agreement, or the application thereof to any person or circumstance, shall be determined to be unenforceable by a court of competent jurisdiction (the "Offending Provision"), then the remainder of this Agreement, or the application of such term, covenant or condition to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby and each term, covenant and condition of this Agreement shall be valid and enforced to the fullest extent permitted by law; provided however, that the parties affected by the Offending Provision shall endeavor in good faith, within sixty (60) days after the date such determination is made, to agree upon alternative provisions which shall have the same practical effect (and not enhance or expand any parties rights herein) as the Offending Provision and upon any agreement being reached, the new provision shall be incorporated into and form a part of this Agreement.

17. NO MERGER.

All warranties, representations, covenants, terms and conditions herein contained shall survive the delivery and recording of the Deed for a period of nine (9) months.

18. CONDITIONS PRECEDENT TO CLOSING AND CONTINGENCIES.

18.1 Conditions Precedent to Closing: SELLER's obligation to close the subject transaction is contingent upon the satisfaction of the following conditions:

(a) Financial Commitment. PURCHASER shall provide, no later than sixty (60) days prior to Closing, documentation certifying to SELLER, PURCHASER's receipt of a financial commitment letter from a United States financial lending institution or private equity ("Financial Commitment") for the lending of funds in an amount not less than seventy percent (70%) of estimated acquisition, development and construction costs required to complete the Project; the Financial Commitment shall be utilized to acquire the Property and to construct and develop the Project, as generally described in PURCHASER's response to the RFP issued by the SELLER, which response was accepted by the SELLER, and as otherwise specified in this Agreement, unless, however, a lesser amount of financing is determined by PURCHASER in PURCHASER's sole and absolute discretion to be satisfactory upon terms acceptable to PURCHASER. PURCHASER shall deliver to SELLER those pertinent provisions of the Financial Commitment evidencing PURCHASER's acknowledgment and the financial institution's agreement to finance the Project in accordance with the Financial Commitment.

(b) PURCHASER's delivery to SELLER, ten (10) days prior to Closing, of a letter of credit issued by a financial institution reasonably satisfactory to SELLER or a performance bond from PURCHASER's General Contractor. The letter of credit, if used, must be in a form and amount reasonably satisfactory to SELLER or if a performance bond, it shall be commercially reasonable and acceptable to PURCHASER's lender shall be acceptable to SELLER. The letter of credit or performance bond shall serve to guarantee completion of construction of the Project in accordance with the approved

Site Plan and this Agreement. PURCHASER shall be permitted to submit a commercially reasonable performance bond. The letter of credit, if used, shall be specifically callable by SELLER in the event of the PURCHASER's failure to construct the Project in accordance with the provisions of this Agreement and the Site Plan approved by the City. The letter of credit shall be in an amount equal to one hundred ten (110%) percent of the budgeted costs for the construction of the Project or in the case of a Performance Bond, one hundred (100%) percent of the budgeted costs for the construction of the Project (excluding FF&E), in accordance with the Site Plan, design plan, and approved plans and specifications of the Project. Not later than the time the letter of credit or performance bond is required to be delivered to SELLER, PURCHASER shall also cause to be delivered to SELLER an agreement of the architects and engineers who prepared the plans for the Project which provides that if SELLER calls the letter of credit, in accordance with the terms of this Agreement, SELLER shall have the right to utilize said plans to construct the Project, as to its respective interest in said plans.

(c) Prior to site plan approval the SELLER reserves unto itself and PURCHASER acknowledges and agrees that SELLER shall have the right to approve the architectural design and the Site Plan for the Project which approval shall not be unreasonably withheld.

18.2 Contingencies: The SELLER's obligation to close the transaction is contingent upon the following:

- a) PURCHASER shall submit an application for the abandonment of alleyways, if necessary, and the SELLER will cooperate in executing all applicable applications and processing the approvals, abandonment of alley ways and issuance of building permits;
- b) Execution by PURCHASER and SELLER of a Public Benefit Agreement to be finalized within two hundred-ten days of the Effective Date;
- c) Execution by both the PURCHASER and SELLER of a Memorandum setting forth the SELLER's Right of Repurchase and termination of the right to repurchase to be held in escrow.

19. Restrictive Covenant: In consideration of the delivery by SELLER of the Deed, PURCHASER agrees and acknowledges that a Restrictive Covenant shall be executed and recorded against the Property at the Closing contemplated by the terms of this Agreement. The PURCHASER agrees and acknowledges in consideration of the nominal Purchase Price that it agrees to and accepts a Restrictive Covenant to be recorded in the Public Records of Palm Beach County, Florida to constitute a covenant running with the Property. The Restrictive Covenant shall require the PURCHASER to pay to the SELLER the sum of _____ in the event the PURCHASER conveys any interest (legal or equitable) in the Property to a third party prior to the issuance of the final certificate of occupancy issued by the City for the entire Project. For purposes of illustration, the sum of _____ shall be due and owing from the PURCHASER to SELLER should the PURCHASER prior to the issuance by the City of the final certificate of occupancy for the project convey any ownership interest held by the PURCHASER to any buyer or execute any document which serves to convey any interest (legal or equitable) of the PURCHASER to a third party including but not limited to any lessee or transferee. The Restrictive Covenant shall be terminated at the time the final certificate of occupancy is issued for the Project.

20. NOTICE.

Except as otherwise provided herein, all written notices shall be effective upon the actual receipt or first refusal of the addressee to accept delivery after having been sent by reputable overnight delivery service or by certified mail, postage prepaid, return receipt requested, to the following addressees:

SELLER: Delray Beach Community Redevelopment Agency
20 North Swinton Avenue
Delray Beach, Florida 33444
Attn: Jeff Costello, Executive Director

With Copy to: Donald J. Doody, Esquire
GOREN, CHEROF, DOODY & EZROL, P.A.
3099 East Commercial Boulevard, Suite 200
Fort Lauderdale, Florida 33308
Telephone: (954) 771-4500
Fax: (954) 771-4923

PURCHASER: BH3 Management LLC
21500 Biscayne Blvd., Suite 302
Aventura FL

With a Copy to: Neil M. Schiller, Esquire
SAUL EWING ARNSTEIN AND LEHR P.L.
515 N. Flagler Drive, Suite 1400
West Palm Beach, Florida 33401
Telephone: (561) 833-9800

ESCROW AGENT: GOREN, CHEROF, DOODY & EZROL, P.A.
3099 East Commercial Boulevard, Suite 200
Fort Lauderdale, Florida 33308
Telephone: (954) 771-4500
Fax: (954) 771-4923

21. EFFECTIVE DATE.

This Agreement shall be deemed effective as of the Effective Date.

22. GOVERNING LAW.

This Agreement shall be governed by the laws of the State of Florida.

23. ENTIRE AGREEMENT.

All prior understandings and agreements between SELLER and PURCHASER are merged in this Agreement. This Agreement completely expresses their full agreement.

24. NO ORAL CHANGE.

This Agreement may not be changed or amended orally.

25. SUCCESSORS.

This Agreement shall apply to and bind the successors and assigns of SELLER and PURCHASER. The PURCHASER shall not assign this agreement without first obtaining the written approval of the SELLER, which approval shall not be unreasonably withheld.

26. COUNTERPARTS.

This Agreement may be executed in two or more counterparts, each of which shall be and shall be taken to be an original and all collectively deemed one instrument. The parties hereto agree that a facsimile copy hereof and any signatures thereon shall be considered for all purposes as originals

27. RADON GAS.

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health unit.

28. ATTORNEYS' FEES.

If for any reason a party initiates any legal or equitable action to secure, protect or enforce its rights under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs and expenses incurred by it, including, without limitation, reasonable arbitration, paralegals', attorneys' and experts' fees and expenses, whether incurred without the commencement of a suit, in any suit, arbitration, or administrative proceeding, or in any appellate or bankruptcy proceeding.

29. COOPERATION.

SELLER shall reasonably cooperate with PURCHASER, its agents, lender, title co, architect, engineer and other professional advisors, in connection with the filing of applications and the obtaining of all required permits and approvals (including but not limited to demolition permits, site development permits, utility permits, landscaping, mechanical, plumbing, electrical and all necessary permits, authorizations and approvals to commence immediate improvements for the Project) and any necessary utility access agreements, and shall sign any application reasonably made by PURCHASER that is required in order to obtain such permits and approvals and utility access agreements and shall provide PURCHASER with any information and/or documentation not otherwise reasonably available to PURCHASER (if available to SELLER) which is necessary to procure such permits and approvals and utility access agreements. Such cooperation shall survive the closing and continue until the construction is completed and project has obtained a final Certificate of Occupancy Any such cooperation by SELLER shall be without prejudice to, and shall not constitute a limit on, impairment or waiver of, or otherwise affect SELLER's rights to exercise its discretion in connection with its governmental or quasi-governmental functions. During the term of this Agreement, PURCHASER agrees to provide SELLER with updates as to the status of the Project on at least a quarter-annual basis.

30. ASSIGNMENT. This contract may be assignable by PURCHASER to a newly formed entity whereby principals of PURCHASER holds a controlling interest, and all other terms remain the same. In the event PURCHASER seeks to assign this agreement, PURCHASER shall provide SELLER with written notice at least thirty (30) days in advance of any assignment and would have to be approved by the Board.

[SIGNATURE PAGES ON FOLLOWING PAGE.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates indicated below:

WITNESS:

Witness

Witness

PURCHASER:

BH3 Management, LLC

By: _____

Title: _____

Date: _____, 2019

SELLER:

DELRAY BEACH COMMUNITY
REDEVELOPMENT AGENCY

By: _____

Title: _____

Date: _____, 2019

ESCROW AGENT:

GOREN, CHEROF, DOODY & EZROL, P.A.

By: _____

Title: _____

Date: _____, 2019.

EXHIBIT A

LEGAL DESCRIPTION

(SUBJECT TO VERIFICATION BY SURVEY THAT THE AFOREMENTIONED PARCELS OF REAL PROPERTY ARE: a) CONTIGUOUS, AND b) CONSTITUTE, IN THE AGGREGATE, ALL REAL PROPERTY WHICH IS THE SUBJECT OF THE RFP)

Potential Off-Site Workforce Housing Location Map

LOCATION MAP



Property Control Number and Location Description

PCN 12-43-46-17-31-000-0110
700 SW 2nd Court, Delray Beach, Florida
33444
Carver Square, Lot 11

PCN 12-43-46-17-31-000-0210
702 SW 2nd Terrace, Delray Beach, Florida
33444
Carver Square, Lot 21

PCN 12-43-46-17-31-000-0120
SW 2nd Court, Delray Beach, Florida
33444
Carver Square, Lot 12

PCN 12-43-46-17-31-000-0220
704 SW 2nd Terrace, Delray Beach, Florida
33444
Carver Square, Lot 22

PCN 12-43-46-17-31-000-0130
SW 2nd Court, Delray Beach, Florida
33444
Carver Square, Lot 13

PCN 12-43-46-17-31-000-0230
708 SW 2nd Terrace, Delray Beach, Florida
33444
Carver Square, Lot 23

PCN 12-43-46-17-31-000-0140
SW 2nd Court, Delray Beach, Florida
33444
Carver Square, Lot 14

PCN 12-43-46-17-31-000-0240
712 SW 2nd Terrace, Delray Beach, Florida
33444
Carver Square, Lot 24

PCN 12-43-46-17-31-000-0150
716 SW 2nd Court, Delray Beach, Florida
33444
Carver Square, Lot 15

PCN 12-43-46-17-31-000-0250
716 SW 2nd Terrace, Delray Beach, Florida
33444
Carver Square, Lot 25

PCN 12-43-46-17-31-000-0160
SW 2nd Court, Delray Beach, Florida
33444
Carver Square, Lot 16

PCN 12-43-46-17-31-000-0260
717 SW 3rd Street, Delray Beach, Florida
33444
Carver Square, Lots 26 & 27

PCN 12-43-46-17-31-000-0170
713 SW 2nd Terrace, Delray Beach,
Florida 33444
Carver Square, Lot 17

PCN 12-43-46-17-31-000-0280
709 SW 3rd Street, Delray Beach, Florida
33444
Carver Square, Lot 28

PCN 12-43-46-17-31-000-0180
709 SW 2nd Terrace, Delray Beach,
Florida 33444
Carver Square, Lot 18

PCN 12-43-46-17-31-000-0290
705 SW 3rd Street, Delray Beach, Florida
33444
Carver Square, Lot 29

PCN 12-43-46-17-31-000-0190
705 SW 2nd Terrace, Delray Beach,
Florida 33444
Carver Square, Lot 19

PCN 12-43-46-17-31-000-0300
701 SW 3rd Street, Delray Beach, Florida
33444
Carver Square, Lot 30

PCN 12-43-46-17-31-000-0200
703 SW 2nd Terrace, Delray Beach,
Florida 33444
Carver Square, Lot 20

PCN 12-43-46-16-01-008-0340
SW 7th Avenue, Delray Beach, Florida
33444
Town of Delray, Lot 34

PCN 12-43-46-16-01-008-0260
SW 4th Street, Delray Beach, Florida
33444
Town of Delray, Lots 26, 29, & 30

PCN 12-43-46-16-01-008-0350
SW 7th Avenue, Delray Beach, Florida
33444
Town of Delray, Lot 35 and 36

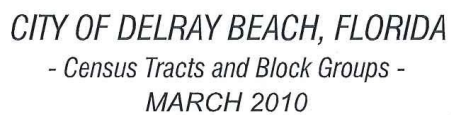
PCN 12-43-46-16-01-008-0270
SW 4th Street, Delray Beach, Florida
33444
Town of Delray, Lots 27 and 28

PCN 12-43-46-16-01-008-0370
SW 7th Avenue, Delray Beach, Florida
33444
Town of Delray, Lot 37

PCN 12-43-46-16-01-008-0310
322 SW 7th Avenue, Delray Beach,
Florida 33444
Town of Delray, Lot 31

PCN 12-43-46-16-01-015-0320
238 SW 6th Avenue, Delray Beach, Florida
33444
Town of Delray, Lot 32 and 33

CENSUS TRACTS



69.04

BG-4

CITY BOUNDARY

NSP AREA OF GREATEST NEED
(100 YEAR FLOOD PLAIN)

CITY OF DELRAY BEACH, FL
PLANNING & ZONING DEPARTMENT
MARCH 2010

-- DIGITAL BASE MAP SYSTEM --

MAP REF: LMA-254E

*NOTE: FINAL ALIGNMENT OF BLOCK GROUP AND TRACT BOUNDARIES IS PENDING RELEASE OF THE CENSUS 2010 DATA. CENSUS TRACTS AND BLOCK GROUPS ON THE MAP ABOVE HAVE BEEN DEPICTED PER THE CENSUS 2000 DIGITAL DATA RELEASE.